

CUSTOMER NOTICES

Annual energy cost adjustment

Proposed net price increase

Rocky Mountain Power requests recovery of power costs.

On April 1, 2020, Rocky Mountain Power asked the Idaho Public Utilities Commission to approve the 2019 incremental energy related costs of \$21.2 million, a net increase of \$8.6 million above the revenues currently collected through the energy cost adjustment mechanism. The energy cost adjustment mechanism is designed to track the difference between the company's actual costs to provide electricity to Idaho customers and the amount collected from customers through current prices.

This increase was partially offset by amortization of the 2017 Federal Tax Act. Pending commission approval, the increase would take effect June 1, 2020. All customer classes will see a net increase to their rates resulting from the recent changes in costs of providing energy to customers. The proposed adjustment will allow Rocky Mountain Power to continue to provide safe, reliable electric service to its customers.

Typical residential customers using 800 kilowatt-hours per month would see an increase of approximately \$2.04 a month on their electricity bill. The following is a summary of the percentage impacts by customer class:

- Residential Schedule 1 – 2.2% increase
- Residential Schedule 36 – 2.6% increase
- General Service Schedule 6 – 3.1% increase
- General Service Schedule 9 – 3.6% increase
- Irrigation Service Schedule 10 – 2.7% increase
- Commercial & Industrial Heating Schedule 19 – 2.9% increase
- General Service Schedule 23 – 2.5% increase
- General Service Schedule 35 – 3.7% increase

- Public Street Lighting – 1.2% increase
- Tariff Contract 400 – 3.8% increase
- Tariff Contract 401 – 3.9% increase

The public will have an opportunity to comment on the proposal during the coming months as the commission studies the company's request. The commission must approve the proposed changes before they can take effect. A copy of the company's application is available for public review on the commission's website at www.puc.idaho.gov under Case No. PAC-E-20-02. Customers may file written comments regarding the application with the commission or subscribe to the commission's RSS feed to receive periodic updates via email about the case. Copies of the proposal are also available for review at the company's offices in Rexburg, Preston, Shelley and Montpelier.

Idaho Public Utilities Commission
11331 W Chinden Blvd
Building 8 Suite 201A
Boise, ID 83714
www.puc.idaho.gov

Rocky Mountain Power offices

- Rexburg – 127 East Main
- Preston – 509 S. 2nd E.
- Shelley – 852 E. 1400 N.
- Montpelier – 24852 U.S. Hwy 89

For more information about your rates and rate schedule, go to rockymountainpower.net/rates.





FOR IMMEDIATE RELEASE

Media Hotline 800-775-7950

Higher energy market costs in 2019 prompt price increase request for Idaho customers

Annual energy cost adjustment

BOISE, Idaho (April 1, 2020) — Rocky Mountain Power’s costs for fuel and wholesale electricity increased in 2019 because of higher energy market prices, due in large part to a significant North American natural gas pipeline disruption, which made purchased power to serve its customers more expensive. As part of an annual review of these costs, the company requested a 2.2 percent price increase for Idaho residential customers. Typical residential customers using 800 kilowatt-hours per month would see an increase of about \$2.04 per month on their electricity bill.

“We recognize that no price increase is welcome,” said Tim Solomon, regional business manager for Rocky Mountain Power in Rexburg. “Still, we’re committed to bringing the best value to our customers for their hard-earned dollars, and we’re acutely aware that we provide one of the most essential public services. Our prices are among the lowest in the country and we’ve worked hard to keep our expenses low. While we are strict with our budgets, we have also recently completed significant improvements on our system to improve reliability for our 82,000 customers in southeastern Idaho, because we know the importance of reliable service.

“The energy costs in the annual adjustment are generally beyond the company’s direct control,” Solomon added, “and we note that these costs have declined the past three years, and were credited to customers on their bills as part of each annual review. This annual adjustment makes sure Rocky Mountain Power customers always pay a fair price for the energy they need.”

The annual energy cost adjustment mechanism is designed to track the difference between the company’s actual expenses for fuel and electricity purchased from the wholesale market, against the amount being collected from customers through current rates. During the past year the company’s energy-related expenses have increased by \$8.6 million. The increase is partially offset by the continuing effect of the 2017 Federal Tax Act. Pending commission approval, the changes would take effect June 1, 2020, with the following impact on each rate schedule:

- Residential Schedule 1 – 2.2% increase
- Residential Schedule 36 – 2.6% increase
- General Service Schedule 6 – 3.1% increase
- General Service Schedule 9 – 3.6% increase

Irrigation Service Schedule 10 – 2.7% increase
Commercial & Industrial Heating Schedule 19 – 2.9% increase
General Service Schedule 23 – 2.5% increase
General Service Schedule 35 – 3.7% increase
Public Street Lighting – 1.2% increase
Tariff Contract 400 – 3.8% increase
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Idaho Public Utilities Commission

www.puc.idaho.gov

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Boise, ID 83714

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